



DEPARTMENT OF CHILDREN AND FAMILIES
DIVISION OF FAMILY AND ECONOMIC SECURITY
ADMINISTRATOR'S MEMO SERIES

DFES 24-06
ISSUE DATE: 8/30/2024
DISPOSAL DATE: 12/31/2025

- ACTION
- NOTICE

PROGRAM CATEGORIES:

- W-2 - Wisconsin Works
- RA - Refugee Assistance
- CS - Child Support
- CF - Children First
- TJ - Transitional Jobs
- TMJ - Transform Milwaukee Jobs

DATE: 8/30/2024

TO: Child Support Agency Directors

FROM: **Connie M. Chesnik**
Division Administrator

RE: CY2025 State-County Child Support Draft Contract

PURPOSE:

To share a copy of the CY2025 State-County Child Support Draft Contract with local agencies.

BACKGROUND:

The Department of Children and Families (DCF) has finalized the language for the CY2025 State-County Contract for the child support program. The contract consists of a base section applicable to all county contracts and a program-specific scope of services that defines the responsibilities of the Department and county agencies administering the child support program.

Representatives from DCF and the Wisconsin Child Support Enforcement Association (WCSEA) Contract Committee met to discuss proposed changes to the contract language for CY2025. The attached contract and related documents have now been finalized.

One of the most important changes to the base contract involves the submission of the county's annual audit. If the audit is not submitted within 9 months from the county's year-end close, the next year's contract will be held until the audit is received.

Base and scope of services language changes have been completed for consistency with federal regulations. There are no changes to the other CY2025 State-County Contract Exhibits or Appendix.

Changes to the Base Contract

Section	Changes
County contract: VII. Billing and Payment Terms	Wording updated to be consistent through-out base contract: 1. Allowable Costs The Department will make payments for incurred allowable costs that are consistent with the DCF Allowable Cost Policy Manual and applicable Federal allowable cost policies. 1. Reimbursement (3 rd paragraph) Total net reimbursement to the Contractor for incurred allowable expenses shall not exceed the contracted amounts specified in the funding allocation table on P.2 of this Contract, excluding Federal Financial Participation (FFP) or other non-State funds. Net reimbursements under this Contract may be adjusted for other amounts owed the Department as described in VII.B. 2. Final Submission The County shall report all incurred allowable expenses for reimbursement under this Agreement to the Department within sixty (60) days of the end of the Contract period unless a different date is mutually agreed upon by the County and the Department as specified. If allowable under Federal law and funding is available, the Department will not unreasonably withhold approval for expenditures eligible for FFP.
XII. Auditing requirements, D. Single Audit Reporting package	Section renumbered and informed when the county's single audit package is due, nine (9) months from the county's year-end close. D. Single Audit Reporting package 1. The county will submit their annual single audit package to the Federal Audit Clearinghouse (FAC) within nine (9) months of the county's year-end close. 2. The county will submit to DCF the auditor-issued Management Letter if not included in the package submitted to the FAC to DCFAuditors@wisconsin.gov ; and 3. The county will submit to DCF at DCFAuditors@wisconsin.gov the management responses/corrective action plan for each audit issue identified in the audit if not included in the package submitted to the FAC.
XII. Auditing Requirements F. Submitting the Reporting Package to DCF	Added language: F. Submitting the Reporting Package to DCF The County shall separately submit the required reporting package to the Federal Audit Clearinghouse within 9 months of fiscal year-end. Audits not submitted within 9 months will delay issuance of future DCF Contracts. In the event a county cannot meet this provision, they can contact DCF to discuss the circumstances and any next steps. - DCFAuditors@wisconsin.gov Telephone: (608) 422-6378
County contract: XIII. Monitoring and Compliance Reviews Monitoring	The term "customer" removed from language: The Department may also monitor complaints regarding the operation of the program by the Contractor. The Contractor shall provide the Department with access to all relevant records upon request, including the results of Contractor administrative reviews of complaints. DCF administrative review of complaints are required as specified by DCF program policies.

Changes to the Scope of Services

Section	Changes
2.12 Failure to Follow Policy	<p>Section title renamed from Reimbursement for Failure to Follow Policy to Failure to Follow Policy.</p> <p>Current Language: The Child Support Agencies (CSA) shall be responsible for reimbursement to case participants when the reimbursement is caused solely by the failure of the CSA to follow State statute, DCF written policy directives, or published IV-D directives that are communicated appropriately and timely to the CSA by the Department. In the event of a dispute, the CSA may follow the Dispute Resolution process.</p> <p>New language clarified regarding CSA disbursement errors: The county CSA shall be responsible for reimbursement to case participants when the disbursement error is caused solely by the failure of the county CSA to follow state statute, DCF written policy directives, or published IV-D directives that are communicated appropriately and timely to the county CSA by the Department. DCF will provide notice to the county CSA that the county CSA's next quarterly reimbursement will be reduced by the disbursement error amount. In the event of a dispute, the county CSA may follow the Dispute Resolution process. When a dispute is filed, any disbursement error amount will be determined once the process is completed.</p>
2.02 Provide Services	<p>Current Language: Child and spousal support, and paternity establishment services include but are not limited to case intake and assessment, establishment of paternity, location of absent parents, establishment of enforceable child support and related spousal support obligations, enforcement of payment of child support and related spousal support obligations, and/or establishment and enforcement of medical support obligations. Establishment and enforcement of medical support obligations includes (1) the establishment of appropriate orders for health insurance coverage provided by parents and enforcement of said orders and (2) the establishment and enforcement of appropriate orders to recover birth costs.</p> <p>New language, removed "related spousal support": Child and spousal support, and paternity establishment services include but are not limited to case intake and assessment, establishment of paternity, location of absent parents, establishment of enforceable child support obligations, enforcement of payment of child support and related spousal support obligations, and/or establishment and enforcement of medical support obligations. Establishment and enforcement of medical support obligations includes (1) the establishment of appropriate orders for health insurance coverage provided by parents and enforcement of said orders and (2) the establishment and enforcement of appropriate orders to recover birth costs.</p>

<p>4.02 Federal Incentive for Recovery of Medical Assistance Payments</p>	<p>Current language: The Department shall pay the CSA the 15 percent (15%) Federal incentive rate earned for the recovery of Medical Assistance payments under the Medical Support Liability program. The 15% rate may be increased or decreased during the term of this Contract to reflect any applicable changes in Federal law. Payment shall be made on the same schedule as administrative reimbursement.</p> <p>New language added, last paragraph: The Department shall pay the CSA the 15 percent (15%) Federal incentive rate earned for the recovery of Medical Assistance payments under the Medical Support Liability program. The 15% rate may be increased or decreased during the term of this Contract to reflect any applicable changes in Federal law. Payment shall be made on the same schedule as administrative reimbursement.</p> <p>The federal incentive for recovery of Medical Assistance payments is considered program income, which is ineligible FFP (66%).</p>
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Attachments:

1. [CY2025 Draft State-County Base Contract](#)
2. [CY2025 Contract Exhibit 1 Scope of Services](#)
3. [CY2025 Contract Exhibit 2 Performance Monitoring](#)
4. [CY2025 Contract Appendix UI Data](#)
5. [CY2025 Contract IRS Exhibit 7 from Publication 1075](#)
6. [CY2025 State-County Base Summary of Language Changes](#)
7. [CY2025 State-County Scope of Services Summary of Language Changes](#)